Chapter No. 1

Preamble

Introduction to Job Satisfaction

Job satisfaction is one of the most extensively researched concept in the fields of work and organization psychology for years. Job satisfaction is considered to be the reflection
of an employee feelings like what the employee feels about the job and are they happy with the working conditions and the job they do.

According to Hoppock (1935) job satisfaction can be defined as any combination of physiological, psychological and environmental circumstances that stimulate a person to say, “I am satisfied with my job”.

According to solly and Hohenshil (1986. P. 119) “Job Satisfaction is defined as an attitude which each individual holds about their work consisting of a general or global factor of satisfaction as well as a collection of specific factors related to sources of work reinforcement”.

Job satisfaction defines the attitude of workers towards environment, job and mental change of each individual. Employee must be treated well in the organisation. They deserve to be treated well and with respect. When Company cares the employee automatically employee will perform well and will give higher productivity.

There is no standardized definition for job satisfaction but in general job satisfaction is considered as the largely the feeling of an employee what he/she feels for the job they do and the other factors which indirectly or indirectly affects their satisfaction level when they are working. There are so many vital reasons for the companies to take adequate care of their employee satisfaction level. It can be classified according to the focus on the employee or the organization.

In employee working in any organisation are the asset for that organisation and it is their right to get the best treatment from the organisation and also proper respect which is also necessary. If employee are treated well, given comfort zone and created healthy or friendly environment with others will increase the satisfaction level of employee. Emotional well being or good psychological condition will increase and act as an indication of employee satisfaction. In organisation point of view if the employee are satisfied it will lead to the workbehaviour and the employee will perform well to increase organisation productivity. Each organisational unit in the organisation has differences in job satisfaction which can indicate the problem areas which can create problem in the future.
There are many reasons why companies should and are taking care about employee satisfaction. The company must take adequate care of the satisfaction of their employee as it affects the working environment and company’s production at large. Outside in the social world it helps the company to make a good impression as they take care of their employee satisfaction. In today’s world managers in any organisation has to be very much behind employee satisfaction and they take adequate care of it.

It is also important that the employee satisfaction level is checked in the organisation from time to time as it will keep management informed as what is happening in the company and what employee feels and it will also indicate what difficulties they are facing. It will also indicate and help the organisation to identify that where they are lacking behind. In the organisation where the management feels that their employee are asset for them in that organisation management keeps continuous check on it and keep on improving.

For many decades the relationship of satisfaction and performance has been studied. The first studies were done in 1930 by Hawthorne. At that time many researchers started the studies on finding the relationship between employee satisfaction and productivity but in the initial stage the studies conducted were not done properly. In the beginning researchers were not able to find the relationship between employee satisfaction and productivity.

Some researchers concluded that there is no relationship between employee satisfaction and productivity and if the relationship exist thane it is very low in relationship. Some researchers even said and denied the existence of the relationship between employee satisfaction and productivity.

Researchers conducted in the past on the relationship between job satisfaction and performance differs a lot as many researchers have different opinion. In the year 1957 Herzberg et al. gave a positive review regarding the relationship between job satisfaction and performance and told that the previous research conducted on finding the relationship between job satisfaction and performance were not done properly that is the reason the research conducted was not properly done and that is the reason that
other researchers found that the relationship between job satisfaction and performance is not positive and significant.

After the review of Herzberg researchers began to consider the relationship between job satisfactions and began to research on the relationship in a different way with different views. After this many researchers concluded that there is positive and significant relationship between job satisfaction and performance.

Employee satisfaction will create a happier set of employee in the organization, which will create friendly environment if the employee are happy they will give their best in the performance and will also increases productivity in general, as people knows that if they do hard work they will be rewarded for it. Higher productivity does not come with the cost of lot of stress, unhappy work environment; rather it is directly proportional to the satisfied and happier employees who are willing to give their best in work.

This can be done by spending some money and resources in the form of reward to the employee. When the work place is happy then the employee will feel a sense of community, in which group of each individual will give their best to each other and the company as a whole. This will make a good company into the great one. People wants to work for the company and want stay in the company and the publicity spread will make the sort of company that exists in this modern business market. So the employee satisfaction is more important than we think.

Happiness in the workplace will lead employee to work harder to improve the company and its goals. It increases much higher level of productivity and also increases the employee morale. Gallup studies show that businesses with higher satisfaction also have:

- 86% higher customer ratings
- 76% more success in lowering turnover
- 70% higher productivity
- 44% higher profitability
- 78% better safety records.
Companies require employee who have good knowledge and talent. If these employee are not treated well, they are going to take advantage of other job offer that is ready to provide more stability, more benefits and more compensation.

There are people who like to work and they cannot imagine their life without work. They feel that work is the most important part of their lives. There are those people who do not like to work and they feel boring to work thy work only because they have to work just for the name sake. The job satisfaction level of an employee reflects how much the employee is satisfied and loves his job.

There are many reasons why the organisation has to know the level of job satisfaction of the employee because it affects both the employee and organisational success. By knowing the level of job satisfaction of the employee the organisation can take better steps to improve it.

Job satisfaction of employee gets affect when the factors affecting their satisfaction at work place are not taken care by the organisation. It also gets affected when they feel they are not given respect in the organisation by their boss and colleagues and by the management. Lower level of job satisfaction will affect organisations production. If Employees are satisfied then satisfaction level of the employee will help to retain them thus reducing employee turnover and will also increase productivity.

Level of satisfaction is highly affected by internal and external factors also known as intrinsic and extrinsic motivating factors. These factors includes social working environment, the way the supervisor treats his subordinates and the leadership qualities and supervision qualities of a supervisor, the behavior of other employee / colleagues, and the level of success of an individual employee with is happy or unhappy. All this factors affect employee level of satisfaction.

If the employee is motivated and happy working then due to motivation the employee will be loyal to the organisation and will give his best performance in the organisation and due to this organisation will be successful and organisational productivity will increase. Research concluded by many researchers indicates that the important factors
affecting job satisfaction are promotion opportunities, physical and social working environment, opportunities to learn and grow within the organisation and the job itself.

The satisfaction of employee is extremely important to the organisation. Satisfied employee tends to think creatively and innovative and come up with the new ideas and breakthrough that makes company to grow and profitability. Only satisfied employee can come with the solution in the critical situation at work which is more profitable to the organisation.

The employee satisfaction is most important in the organisation as this will determine the success or failure of a company. In an organisation when employee are satisfied and happy in terms wages and benefits along with working environment, the customer is the first person to notice that. It’s purely depends on the employer to ensure that they do not have their top talent drained away by the new competitor on the block.

It is very important for the employer to know and understand the signals given by the employee. The management should put their effort to readdress the employee about the knowledge, the issues and soon the problem should be solved due to the demand of the employee before it becomes too late and the employee make the decision to resign or quit. This understanding will give the employer an edge and a time to take corrective measures in order to prevent the talent loss. It could be possible that the employee may not be happy with the work environment or they may be facing the relationship issues with a colleague or a superior.

These issues need to be handled before they get out of hand. Employee satisfaction differs for each workers, it will be different things for each individual. When the employee satisfaction survey is taken up, it has to take some common job satisfaction factors among all employee such as “Relationship, Compensation, Physical Environment and Job-specific”.

Employee satisfaction is very important factor for a successful company. If employees are satisfied will leads to low “Level of Absenteeism” and also low “Turnover Rate”. The more the employees are satisfied the more they are committed to their work and duties. Highly satisfied employee will be more likely high performers.
Employee satisfaction is very important to the company productivity, profitability, compensation and customer satisfaction. Highly satisfied employee will be a high performer in the work. This means that highly satisfied employee are more productive and the quality of their products will be very high. So that company’s main objective and goal will be fulfilled by the productivity and profit.

Figure 1.1 : Job Satisfaction versus job performance (Source: Spector, 2003:228).

The link between employee satisfaction and performance is studied for past many years and it has been long history where employee satisfaction and its impact on productivity have been studied. In many studies it has been observed that the correlation between employee satisfaction and performance is more significant where job is more difficult as compared to less difficult job. It has also been observed that in the times of higher unemployment dissatisfied employee will perform well, choosing unsatisfying work over unemployment.

Employee satisfaction is also important as if the employee is not satisfied with his / her job then it indicates that they dislike the job they do, if the employee dislike his / her they will try to remain absent and often fall sick or will try for some other job. A satisfied worker may miss work due to illness or personal matters, while an unsatisfied worker may not miss work because he / she does not have any sick time and cannot afford to loss of income. When people are satisfied with their they may be more likely to attend work even if they are sick however if they are not satisfied whit their job they will be more likely to call in sick even they are well enough to work.
If the employees working in the organisation are not happy then this also leads to employee turnover. Employee turnover is a big loss to an organisation as the organisation invests lot of money and time on recruiting and training of an employee. When an employee leaves the organisation it creates a negative environment in the organisation. The employee who is leaving the organisation may try to exploit other employee. There can be a situation due to exploitation the employee those are best performers may also leave the job. This will be another big loss to the organisation and this will also affect productivity.

There are many variables that affect employee satisfaction some are related to the organisational and some are related to their personal behavior or the way they think. In any organisation two employees will not have same satisfaction level it will differ. One employee will be happy with one variable but there might be another employee not happy with the same variable. Employee satisfaction is the success key in today's completive world. The below figure 1.2 explains different variables affecting employee satisfaction.
The above figure 1.2 explains that variables like co-workers, work load, skills, monetary and non monetary benefits, social relationship, promotional opportunities, supervisor, stress, working environment all this affects the satisfaction level of his / her. Each of the above variables has impact on the satisfaction level of an employee. In some companies employee might be happy with the monetary and non monetary benefits but in the other company employee might not be happy. An employer has to take care of all the variables to keep his employee happy and working. If these variables are taken care
the employee will be happy and will be willingly giving their best performance to the company which in turn will increase organisation productivity and output.

It can be observed that employee in one company might get affected by on variable but in other company the employee might not get affected by the same variable. It differs from person to person, but there are some common variables that affect the all the employee in the company at the same time.

After agriculture the textile industry in India is the second largest and most important industry in India. The textile industry in India is famous for its designs and products in the international market. The textile industry in India contributes 4% to the GDP and 20% to the Industrial production of the country. It Contribution towards earning valuable foreign exchange.

The Indian Textile Industry has a great presence in the economy of the country. It provides basic life support to many people in the country, apart from that the Indian textile industry plays an important role in towards contribution to the industrial output; it also generated employment on large scale in the country and also contributes to export earnings of the country. The textile industry in India contributes 14% to the production 4% to the GDP and 11% to the exports of the country. Agriculture sector in India generates largest employment in the country and after that textile industry generates second largest employment in the country. It provides earnings and support life for a very larger section of the country.

The Indian Textile industry is extremely diverse there is hand-woven sector and even there is sophisticated mill sector. In India the textile industry is having close link to the agriculture sector which is so different they cannot be found in the other countries textile industry. These two sectors support each other growth and so the link is important. This link helps the textile industry in India to produce diverse products for different markets around the world which makes its presence noticeable in the domestic as well as international market.
The textile industry is one of the main industry in India. The Indian textile industry contributes considerably to the exports. The planning commission projected in 12th Five Year Plan that the textile and clothing industry in India will reach the mark of USD 64.11 billion till March 2017. Textile Industry employs nearly 45 million people. The textile industry in India compress of cotton and man-made Fiber, jute textile, wool textiles, silk textile, handlooms and handicrafts. The Indian textile industry is famous and has global presence. The Indian silk products are very famous through the world. The Indian Jute textile industry ranks second in the world and the Indian Jute products of India are produced in lots of variety and have global recognition.

After agriculture in India textile industry is the second largest industry generating employment. The textile industry in India helps in generating 9% to the excise collection and nearly 20% to the country total export earnings. CITI (Confederation of Indian Textile Industry) has projected that till the year 2015 the textile industry will see market growth of USD 100 billion. It is projected that there will be increase in the manufacturing sector and looking at this growth it can be expected that there will be increase in the demand for employment.

The Processing and garmenting sector will also notice growth and will see increase in employment generation. It has been said that there will be 12 million new jobs coming in future. This can be divided into 5 million jobs in the organised sector and 7 million jobs in the ancillary services.

Fashion industry in India is a very big industry. Fashion has influenced the market and its demand. Fashion industry in India is greatly influenced by film industry. Fashion causes traders to compete with each other by producing various designs and they do not compete with each other on the basis of innovations and different modernized techniques. The fashion industry in India is divided into 3 parts women’s wear, children’s wear and men’s wear in this women’s and children’s wear fashion changes and causes changes in designs and patterns frequently which also affects demand. In case of men’s wear the changes in fashion are not so fast due to which men wear market is more stable as compared to women's and children's wear.
The cultural changes in India since 1970 and the growth in socio-economic condition have largely affected Indian textile and garment market. These developments have led to increase in demand for clothing in India and have helped the market to become diverse. This has helped the market to grow. The growth can be noticed in the domestic as well as international market.

This textile Industry in India is growing and this industry has a considerable contribution towards the export share which is about 35% of the total exports. The Indian textile industry is modernising very fast. Machineries like Suzlaer Looms, Air Jet Looms, and Water Jet Looms, Shuttle less Looms and IRO Looms are used which are modern and which helps to produce fast and on larger quantities and with less defect.

Modernisation has increased the capacity of the textile industry and the Indian textile industry is now able to produce Varity of products with fine quality, this has given the textile industry chance to compete in the international market. This can be seen as India contributes USD 560 billion to world textile and contributes USD 60 billion to apparel market.

The textile industry is one of the main industry in India. The Indian textile industry contributes considerably to the exports. The planning commission projected in 12th Five Year Plan that the textile and clothing industry in India will reach the mark of USD 64.11 billion till March 2017. Textile Industry employs nearly 45 million people. From the total exports of India textile exports is about 11%.

In the year 2012 – 13 the Indian textile exports valued Rs. 119855.65 crore. In which 39% was readymade garments and 79% is of apparel and cotton textile. In the international market India ranks 6th in the world in textile exports.

India exports wide range of products like jute and handicrafts, handloom textiles, carpets, silk, woolen products, and readymade garments to countries like Korea, Bangladesh, Turkey, USA, Canada, Japan, Saudi Arabia, U.A.E and Hong Kong.
In the year 2012 till November India’s imports has reached nearly USD 4.74 billion. In this imports cotton import was biggest which is followed by textile fabric and man-made filaments. It has been observed that India’s imports have increased by 4.21% during the calendar year 2012 as compared to its previous year.

In India Maharashtra is one of the most industrialized state in the country there is heavy concentration of industry in Maharashtra. The Maharashtra Government of the promotion and development of industries has established MIDC industrial zones in different cities with in Maharashtra. Cities like Amravati, Akola Solapur Nagpur are very important. Pune is known for the concentration of Information Technology companies.

Textile in Maharashtra is has a long history. Handloom sector is very well developed in area like Solapur. Solapur is also famous for its Cheddar and towels production. First in the beginning Mumbai was known for its textile industry as many years back there was heavy concentration of textile units within Mumbai. Now today heavy concentration of textile units can been seen in the cities like Solapur, Ichalkaranji, Malegaon and Bhiwandi which comes under thane district.

Maharashtra also produces highest number of cotton production in the country; it produces 5.2 million bales per year. In Maharashtra there are about 9.24 lakh power looms producing around 8870 million meter cloth and employee 1.5 million people. In Maharashtra there are many villages where there are power looms sector is there and in this village's majority of the people are engaged in textile or textile related employment only.

In these small villages there are tiny units / small units having 2 or 4 poor looms. Many times it has been observed that it is established by a single family or two or more families come tighter and setup tiny units. Maharashtra is also known for its handloom sector. There are around 32,000 handlooms sector. Maharashtra is also known for its Hand-block printing which is mostly done in the Vidarbha region of Maharashtra.
The scope of this study is it will help to understand exactly what matters most to the employee working in the organisation. This information will help the employer to understand what are the problems faced by the employee. This information is critical to understanding exactly what need to fix. The study on employee satisfaction will help the textile industry to understand what are major factors which lead to satisfaction and dissatisfaction of employee in an organization.

The industry will also understand how employee satisfaction has a direct and positive impact on productivity which in turn leads to organization profits. The study will help management of textile factories to understand where their employee are satisfied and dissatisfied what are the reasons for dissatisfaction and what can be done to improve their employee satisfaction level, also help them in making required changes in their policies & procedures. Employee satisfaction survey in the organisation helps the employer to know and understand the satisfaction level of their employee.

It helps the employer to understand what changes have to be made which will increase employee satisfaction level. The employer will come to know that what is their attitude and actions. The survey will also help the employer to understand what motivates their employee. The employee satisfaction survey will also give the employer useful information which will help the employer to develop proper training programs that will help to train employee and increase satisfaction level. This will help the employer to make necessary changes in the organisation working environment and keep employee happy. Employees are asset to the company. If the employees are happy then the working environment will be happy. Employee will be having a feeling to come to work and give their best performance, work hard. Employee should have a feeling that their hard work is recognized. Employee should feel that employer cares for them and give them respect.

The study on employee satisfaction also helps to understand impact of other variables on his / her satisfaction level. The study on employee satisfaction helps to understand that variables like age, sex, marital status, designation and qualification. We will come to know that how the satisfaction level of employee differ at different age groups and we also come to know in which age group satisfaction level is more as compared to other
group and what are the reasons in that causes difference in the satisfaction level of employee.

It also helps to understand that at different age which variables affects the employee more and how change in age affects satisfaction level. Study also indicates what id the satisfaction level of married and unmarried employee. It also helps to understand is there any difference in the satisfaction level or not and what are the causes of change in the satisfaction level. The study also help to understand that what is impact of sex (gender) on employee satisfaction level, as male employee are more happy or female employee are more happy. It indicates what might be the reason in the satisfaction level of male and female employee and what level of difference is there in the satisfaction level of male and female employee. The study also helps to understand what is the impact of qualification level of employee working in the textile industry. The study helps to understand that how difference in qualification level has an impact on satisfaction level of employee and at which qualification level the satisfaction level is high and low.

The limitation of the study is the research will be limited to western & southern Maharashtra with special reference to (Solapur, Ichalkaranji, Bhiwandi, and Malegaon) due to time and cost constrains.

The study of employee satisfaction in textile industry will help to understand to find the major factors which affect or lead to satisfaction and dissatisfaction of employee in an organisation. It will also help the industry to understand how the employee satisfaction has direct and positive impact on productivity which in turn leads to organisation profits. The study will help the management of textile factories to understand the factors to which they are satisfied and dissatisfied, the reasons for the dissatisfaction and remedies like what can be done to improve their employee satisfaction level, also help them in making changes in their policies & procedures. This study will help academicians and research students to explore more deeply about the relationship between employee satisfaction and productivity and will give them a clear view of what are all the difficulties faced by textile industry work force in India and will help to know their satisfaction level.
The study in border sense is important as approximately 35 million people are directly employed and 60 million are indirectly employed. The accepted growth of textile industry in India is by year 2015 is USD 100 billion which in turn will throw up the need for an estimated 12 million new jobs, of which 5 million will be in the organized sector, and remaining 7 million in supporting and ancillary services. This requires major changes in the coming feature to keep such a large work force satisfied and productive which in long run will help in growth of India.

Under such circumstances it is very essential to study the employee satisfaction of worker working in textile industry. Several researches have been carried on factors and constrains of employee satisfaction, no review of literature revealed the impact of employee satisfaction on productivity in textile industry. The studies did so far have not touched on employee satisfaction in textile industry and its impact on productivity across several cities of Maharashtra which have high concentration of textiles units.